

Housing and Community Development Corporation of Hawaii

Public Housing Asset Management Statement

In January 2003, International Business Machine, Inc (IBM), Business Consulting Services was contracted by HUD and HCDCH to conduct a review and analysis of HCDCH's capabilities to effectively operate and manage its federal public housing stock. The contract specified that IBM develop an Independent Assessment (IA), a Physical Needs Assessment (PNA), and a long-range portfolio plan for HCDCH. The IA was completed in April 2003 and identified operational and management issues that needed to be addressed in order to improve the long-term viability of the housing agency and raised issues such as insufficient staffing; challenges of the State legislative process; leadership turnover; lack of clear policies and procedures, training, and internal controls; technology problems; and an aging housing stock.

From January through May 2003 IBM carried out the physical assessment of all federal public housing projects owned by HCDCH. The final PNA report and a "Recommended Approach to HCDCH Long-Range Portfolio Planning – Five, Ten and Twenty Year Plan" was submitted to HUD and HCDCH in September 2003. HCDCH is incorporating the information from the PNA and long-range plan into the Capital Fund Program.

HCDCH has begun an initiative to develop recommendations on an asset management program/plan. The focus of the initiative is to define what key elements should be in the plan such as creating and maintaining a comprehensive inventory of HCDCH physical assets; identifying the mission and role in affordable housing production; disposition of lands; policy on ceded lands; and property management issues. The goal of the group is to recommend an implementation plan, budget, and timeline to the Executive Director in mid-2004.